

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION CONFERENCE COMMITTEE ON SENATE AMENDMENTS TO HOUSE BILL 172**

**Call to Order:** By **CHAIRMAN BILL TASH**, on April 5, 2001 at 10:00 A.M., in Room 152 Capitol.

#### **ROLL CALL**

**Members Present:**

Sen. Bill Tash, Chairman (R)  
Rep. Gary Matthews, Vice-Chairman (D)  
Rep. Debby Barrett (R)  
Sen. Dale Berry (R)  
Sen. Eve Franklin (D)  
Rep. Linda Holden (R)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Gordon Higgins, Legislative Branch.  
Jane Nofsinger, Committee Secretary.

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

**Committee Business Summary:**

#### **CONFERENCE COMMITTEE ON HB172**

**CHAIRMAN TASH** called the meeting to order.

**REP. HOLDEN** said just to refresh the committee, the bill passed out of the House Business and Labor Committee 19-0 and passed 98-1 in the House on the second reading. She said then when it went to the Senate Business and Labor Committee where "district hospitals" were added during the hearing. During Executive Action, the other amendment was added which is on line 16-7. She said she did not care for the word "corresponding," because to different hospitals that word means different things. She thought

that had to be cleared up or stricken. She also said her amendment would strike the word "pay" and insert "compensation or benefits."

**REP. MATTHEWS** said he thought the bill was a unique idea for hospitals, especially in rural counties. He said these areas are struggling. He told the committee that his mother had been a nurse's aide for many years. He said he knew she would have enjoyed having a little bit more money in her pocket to be able to put more milk and cereal on the table.

**SEN. TASH** said the same thing is true at Barrett Hospital in Dillon. He said this is a district hospital which was added in the Senate amendment. "A lot of times we have found that it is important to have these things to recruit and retain employees," he said. He noted that many times the employees have spouses who work for other agencies and have other benefit packages.

**SEN. FRANKLIN** said she was concerned about how open the bill is on Page 2. She said this provides a complete exemption in language and is too broad. She continued that by the language of the bill the institution could give the employee a \$500 pay benefit which would put them in compliance with the law, but would take away their benefits which would lower their package. She said she talked to an administrator in Dillon who said what she needed was flexibility. **SEN. FRANKLIN** said there are organized and non-organized hospitals. The ones which are not organized have to go to the state law for their guidelines. She said these guidelines are very specific and they do need some flexibility from them. Her concern was that the language as it stands is way too broad. She said the MPEA folks, like up in Shelby, are not too concerned, because they have their own bargaining unit. She continued there are a lot of hospitals throughout the state who really don't have that protection. She offered amendments.

**SEN. TASH** said, while the amendments were being copied, he would like to say that he felt the language already in the bill on Page 2, 1. 7 did cover **SEN. FRANKLIN's** concerns.

*{Tape : 1; Side : A; Approx. Time Counter : 12}*

**SEN. FRANKLIN** said her proposal was that they take out "at its discretion" and put in "with the permission of the individual employee." She said the Human Resources person could say to the employee, "Is this valuable to you?"

**REP. HOLDEN** said she would like to ask a point of information. She said it was her understanding that a Conference Committee

only addressed the amendments. She asked if **SEN. FRANKLIN** should be talking about the original bill.

**CHAIRMAN TASH** said they were talking about amendments which could be added.

**REP. HOLDEN** said, "The amendments are on the pink page."

**Mr. Higgins** said **REP. HOLDEN's** point is well-taken. He continued that what **SEN. FRANKLIN** was trying to do was to get back to the original bill. He said addressing the original bill would require a Free Conference Committee.

**REP. HOLDEN** said she thought her amendment addressed what **SEN. FRANKLIN** was saying because it addressed an increase in compensation, if that would be acceptable.

**SEN. FRANKLIN** said hers was similar, but different. She stated it was a big loophole, if there was not some language which tied it to equal value to the reduction in benefits. She said you look at the dollar value of the pay or benefits and say it must equal in value the reduction of the pay or benefits.

**SEN. HOLDEN** said she thought it would be confusing. She said they have different packages and the employee can choose which one they want. She said she thought the language "an increase in compensation or benefits" as in her amendment covered that.

**SEN. BERRY** asked if the employee had a choice.

**REP. HOLDEN** said, yes and referred him to Section 1 of the bill.

**SEN. FRANKLIN** said she would like to see an amalgam of the two amendments.

**CHAIRMAN TASH** asked if that was within the scope of the title.

**Mr. Higgins** said it was.

**REP. HOLDEN** said that she preferred her bill.

**SEN. FRANKLIN** said her bill provided more employee protection.

**REP. HOLDEN** responded that this is a bill for new employees. These individuals do not have a past, and they would be offered equal packages, and they would have a choice.

**SEN. FRANKLIN** said this was her concern. She said they were starting a whole new class of employees making \$7.00 an hour

without any benefits. She added the unorganized hospitals are mandated by state law.

**Mr. Higgins** said the state law covers all public employees.

**REP. HOLDEN** said that included county hospitals at this point, and that was what the problem was. She noted in Shelby they are required to pay 36 days of leave.

**SEN. FRANKLIN** said they are under a bargaining contract, so this is not an issue to them. She asked **Tom Schneider of MPEA** who was covered in the bargaining contract in Shelby. **Mr. Schneider** replied that all employees except management were covered. He said with his contract he incorporated all the state laws, so if anything changed they would have to re-negotiate. He said if the hospital was to privatized, which is where this bill came from, if they sell, all contracts and benefits are gone.

**SEN. FRANKLIN** said there are politics in Shelby and although Cut Bank is "going under," Shelby isn't. She said the committee must take a broader view and not pursue the "old special interest legislation." Maybe we should just vote, she said.

**CHAIRMAN TASH** said they had the Franklin amendment before them.

**REP. HOLDEN** said she had presented her amendment first and she would like the right to vote on it first.

**CHAIRMAN TASH** said he would rule as Chair it would be procedural to vote on the Holden amendment first.

**Vote: HOLDEN AMENDMENT. Motion carried 5-1. Sen. Franklin NO.**

**SEN. FRANKLIN** said she would like to amend the Holden amendment.

**REP. MATTHEWS** said he understood the concern about the rural hospitals. He said, "These people need help." He added he did not know about Shelby politics, but he would like to see the bill stay as it is. He said if there is a problem two years from now it can be changed. He said the rural areas are where hospitals are hurting, not the cities.

**SEN. FRANKLIN** said sometimes there are incentives which can be used as an excuse to do other things.

**REP. HOLDEN** noted that Cascade County has also just lost a hospital, and that there weren't just problems in Shelby.

**SEN. TASH** said over the years many hospitals have had a hard time keeping their doors open even for basic emergency care. He said

if businesses did not have an excess in revenue to operate with, they would be out of business. He said rural hospitals need this flexibility to bargain.

**REP. BARRETT** said the extra language takes away certain classes from the governing body.

**SEN. FRANKLIN** said she was trying to not decrease the total value but to allow greater flexibility. She said the health care market is driven by many other things than employee benefits.

**REP. HOLDEN** asked **SEN. FRANKLIN** if she would withdraw her amendment.

**SEN. FRANKLIN** asked, "Why don't we just vote?."

**Vote: FRANKLIN AMENDMENT. Motion failed 1-5. Franklin voted aye.**

**CHAIRMAN TASH** asked for other amendments, and there were none. He then asked **REP. HOLDEN** to close.

**REP. HOLDEN** said she thought it was a fair bill. She said if there were any problems, they could address them in two years. She said she hoped it would help Montana hospitals and noted that Montana communities are very dependent on the hospitals.

**ADJOURNMENT**

Adjournment: 10:35 A.M.

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SEN. BILL TASH, Chairman

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Jane Nofsinger, Secretary

BT/GM/

**EXHIBIT** (cch77hb0172aad)